

MENTAL HEALTH AND DISABILITY SERVICES COMMISSION

July 18, 2013, 9:30 am to 3:00 pm

ChildServe Training Center

5406 Merle Hay Road, Johnston, IA

MEETING MINUTES

MHDS COMMISSION MEMBERS PRESENT:

Richard Crouch
Lynn Grobe
Chris Hoffman (by phone)
David Hudson
Betty King
Sharon Lambert
Gary Lippe
Zvia McCormick

Rebecca Peterson
Deb Schildroth
Patrick Schmitz
Susan Koch-Seehase
Marilyn Seemann
Suzanne Watson
Jack Willey

MHDS COMMISSION MEMBERS ABSENT:

Neil Broderick
Jill Davisson
Senator Joni Ernst
Senator Jack Hatch

Representative Dave Heaton
Representative Lisa Heddens
Brett McLain

OTHER ATTENDEES:

Marilyn Austin
Bob Bacon
Jess Benson
Cynthia Steidl Bishop
Teresa Bomhoff
Tom Brown
Wayne Clinton
David Comstock
Paula Connolly
Mechelle Dhondt
Kristi Dierking
Marissa Eyanson
Connie Fanselow
Jim Friberg
Melissa Havig
Linda Hinton
Jane Hudson
Julie Jetter
Char Jones
Natasha Retz

Iowa County Social Services
U of Iowa Center for Disabilities and Development
Legislative Services Agency
Eyerly Ball Community Mental Health Center
Iowa Mental Health Planning Council/NAMI
Advisory Council on Brain Injuries
ISAC Supervisors Executive Board/Story County
ChildServe
ASK Resource Center
Linn County MHDD
Warren County
Easter Seals Iowa
MHDS, Community Services & Planning
Department of Inspections and Appeals
Magellan Health Services
Iowa State Association of Counties
Disability Rights Iowa
MHDS, Community Services & Planning
Disability Rights Iowa
Brain Injury Alliance

OTHER ATTENDEES (continued):

Lori Reynolds (by phone)	IA Federation of Families for Children's Mental Health
Jim Rixner	Siouxland Community Mental Health Center
Joe Sample	Iowa Department on Aging
Renee Schulte	DHS Consultant
Rick Shults	DHS, Administrator MHDS Division
Deb Eckerman Slack	ISAC County Case Management Services
Heidi Smith	Iowa Department of Human Rights

WELCOME AND CALL TO ORDER

Jack Willey called the Commission business meeting to order at 9:35 a.m., welcomed attendees, and led introductions. No conflicts of interest were identified for today's meeting. Quorum was established.

APPROVAL OF MINUTES

Richard Crouch made a motion to approve the minutes of the June 20, 2013 meeting as presented. Patrick Schmitz seconded the motion. The motion passed unanimously. Chris Hoffman was present by phone for the vote.

REGIONAL SERVICE SYSTEM ADMINISTRATIVE RULES

Renee Schulte introduced the rules package related to the regional service system and gave an overview of the highlights. This is the second rules package based on the legislation in SF 2315. The former Iowa Code provisions of Chapter 25 pertaining to county management have been repealed and replaced by regional management. This rules package is based on those new provisions.

A Commission workgroup has worked with MHDS to review and provide input. Work on the rules has been progressing as quickly as possible as regional groups are meeting and organizing. The presentation of the rules to the Commission for their approval to notice them is the first step in the public part of the process; there will be opportunities for public comment and revision before they are finalized.

These rules include a new preamble for Chapter 25. Division I of Chapter 25 will be the core services rules discussed at the last Commission meeting. Division II of Chapter 25 will contain the provisions for regional service system that are contained in this rules package, replacing the prior county management system rules.

Definitions start on page 3. New definitions include:

- Access point
- Chief Executive Officer – the individual designated as the single point of accountability for a region

- Clear lines of accountability
- Conflict free case management – CMS (Centers for Medicare and Medicaid) has provided some guidance that was used in the definition
- Regional administrator or Regional administrative entity - Iowa Code uses the term “Regional Administrator,” however, it refers to an administrative office or organization, so DHS has used the term “Regional Administrative Entity” synonymously in these rules to make it clear that this is an entity rather than an individual.

Some of the definitions refer to other parts of the current Code and some have been brought forward from previous versions. The Code is specific about what has to be in 28E agreements and regional management plans and these rules reflect that.

David Hudson asked if the definition of conflict free case management would preclude people from choosing case management and service provision from the same provider. Renee and Rick Shults responded that it does not as long as people are given real choices and not all clients are automatically referred to the agency’s own services. A case management provider must be able to show that their clients are offered options.

Section 25.12 Regional Governance Structure:

- Specifies that the counties of a region must enter into 28E agreements
- Refers to a new section (331.399) of the Iowa Code related to open meetings and open records that the new regional governance groups will have to follow
- Refers to the sections of Iowa Code that specify the membership of regional governing boards, which include consideration for public governing bodies with regard to gender balance, etc.
- Regional administrator – refers back to Code definition
- Regional service system management – a region can directly manage the system or can contract with a private entity to perform the management function it meets all the requirements

Jack Willey asked if board members would be allowed to have designees who are not members of the board of supervisors. Rick responded that the legislative desire seems to be to have elected officials serving as the voting members of the governing boards. The legislation itself does not appear to restrict the county’s options and where Code does not specify, the rules cannot narrow what it allows. Rick said he would advocate for counties designating only elected officials, but the rules cannot make that limitation without legislation authority. Jack said he would like to see more guidance for counties on the subject.

Section 25.13 Regional Finances:

- There are three options available to regions to manage their finances: a combined account, separate accounts under the control of the governing board, or “other arrangements authorized by law”
- Accounting System and financial reporting – refers to Code requirements (331.391)

Section 25.14 Regional Governance Agreement:

- Also refers to specific Code provisions
- Outlines what the agreement must include

Section 25.15 Eligibility-Diagnosis-Functional Assessment Criteria:

- Eligibility is in four categories – mental health, intellectual disability, brain injury, and developmental disability
- The eligibility criteria for each is similar, but there are some differences
- Functional assessment is not required for people with DD
- The definitions of ID and BI are linked to the HCBS Waiver definitions
- These provisions largely reflect what is specified in the law

Section 25.16 Financial Eligibility Requirements:

- Income requirement per Code is 150% of FPL (Federal Poverty Level)
- The rules clarify that income is household income as it is determined for other purposes
- Resource requirements lists of exemptions, including burial account or trust
- Co-payment standards specify no co-pays for core services to people with incomes below 150% FPL
- Copayments will be allowed for individuals with income above 150% FPL
- Services beyond core services can have co-pays

Teresa Bomhoff commented that people are unable to grow income and are kept in poverty when resource limitations are very low.

Rick Shults indicated that there was an effort to build some degree of parallel limitations to what is allow in Medicaid but there are some areas where they do not match exactly. For eligibility purposes it will be important to know if you are looking at Medicaid or non-Medicaid services.

Section 25.17 Exempted Counties:

- Counties that have been exempted from joining a region will be treated as regions for the purpose of these rules

Section 25.18 Annual Service and Budget Plan:

- Must include:
 - Location of local access points
 - Targeted case management agencies and information
 - Crisis planning
 - Description of scope of services
 - Budget and financing provisions
 - Financial forecasting measures
 - Provider reimbursement provisions

Section 25.19 Annual Service and Budget Plan Approval:

- Submitted by April 1, 2014 as part of the regional management plan

- Plan approval by the Director
- Criteria for acceptance
- Notification of decision
- Making amendments to the plan
- Reconsideration for regions dissatisfied with the Director's decision

Section 25.20 Annual Report:

- Report due each December 1 for the preceding fiscal year
- Must include:
 - Services actually provided
 - Actual numbers of people served
 - Moneys expended
 - Outcomes achieved

Section 25.21 Policies and Procedures Manual for the Regional Service System:

- Change from county to regional
- Must include:
 - Financing and delivery of services and supports
 - Application and enrollment process
 - Eligibility determination process and criteria
 - Timeframes for conducting eligibility determinations
 - Written notice of decision process
 - Utilization and access to services
 - Quality management and improvement process
 - Risk management and fiscal viability
 - Designation of targeted case management providers
 - System of care approach plan
 - Measures to provide service in a decentralized manner
 - Provider network formation and management
 - Service provider payment provisions
 - Grievance processes
 - Interagency collaboration and care coordination
 - Criteria and measures to address multi-occurring needs
 - How functional assessments and service management will be incorporated
 - Assistance to other than core service populations
 - Waiting list criteria
- Approval of policies and procedures manual
- Amendments to the manual
- Requesting reconsideration of Director's decision

Discussion – Jack Willey asked if counties/regions will have to have their plans done by April 1 even though these rules will not be final until December or so. Rick Shults responded that they will because that is a requirement in the Iowa Code. He noted that much of what is required by the regions comes directly from State law and none of those requirements can be changed by administrative rules. Rick clarified that DHS

does not have the authority to change anything with these rules that directly reflect Iowa Code provisions even if people recommend that they be changed.

David Hudson asked where the definitions for coordinator of disability services and target case management came from; Renee Schulte responded that they originated in Iowa Code. Rick explained that where there is not a lot of specificity in Code, for example the qualifications for Chief Executive Officers (CEOs), the Department or the Commission can make recommendations and offer guidance, but cannot specify requirements in rule that go beyond the scope of the requirements contained in Code. Jack Willey commented that the Transition Workgroup spent a lot of time discussing what they thought were important qualifications for CEOs and included those recommendations in their final report. He said that the Commission could support those recommendations and communicate that support to regional governance boards.

Jane Hudson asked for clarification about the relationship between care coordination in Integrated Health Homes (IHH) and Targeted Case Management (TCM). Renee responded that only Medicaid-eligible individuals will be enrolling in the IHHs and the provisions of these rules apply to non-Medicaid services. Rick Shults added that the regions will have administrative responsibility for Medicaid Targeted Case Management delivered in their region. The IHHs will provide care coordination for two specific groups of individuals: children with Serious Emotional Disturbance (SED) and adults with Serious Mental Illness (SMI). TCM and IHH care coordination will have different approaches, different payment sources, and different rules. More people will be getting care coordination from IHHs because the service is not so targeted; care coordination will be available to people with a less intensive level of need than those who are eligible for TCM. Deb Schildroth noted that nothing precludes a person who is in an IHH from also receiving non-Medicaid services.

Tom Brown commented that he does not see the requirement for DHS to identify all people with Brain Injury within its services reflected in these rules. He noted that he has seen studies indicating that about 57% of people who access mental health services screen positive for a brain injury and that the identification and assessment of brain injury is key to getting the right treatment and services to people. Rick responded that these rules are targeted to the regional requirements for operation that are laid out in SF 2315 and have been put into Code. Rick suggested having a broader conversation about what should be required at the provider level as regions build provider networks. Tom indicated he would share the brain injury screening tool with Commission members. David Hudson expressed an interest in looking more in depth at co-occurring mental health, brain injury, and substance use issues.

Paula Connolly commented that she would encourage looking at language that is used in the rules and try to make it more inclusive of all disability conditions; she said often the language, terms, and phrases used seem to be more mental health driven and less targeted to people with intellectual or developmental disabilities who will receive services through the system.

Jack Willey acknowledged the Regional Services Committee members who worked with DHS in the review and development of the rules: Susan Koch-Seehase, Deb Schildroth, Rebecca Peterson, Suzanne Watson, Patrick Schmitz, and Jill Davisson.

Motion & Vote – Patrick Schmitz made a motion to adopt the administrative rules for the regional service system by filing the notice of intended action, pending approval of the Administrative Rules Review Committee. Susan Koch-Seehase seconded the motion. The motion passed unanimously. Chris Hoffman was presented by phone for the vote.

The rules will be scheduled to be noticed in the Iowa Administrative Bulletin on August 21.

RECOMMENDATION FOR INCREASE IN COSTS

Discussion - Rick Shults reviewed the new requirement that went into effect last year as a part of SF 2315 and changed how and when the Commission provides input to the Department on funding for the MHDS system. The new provision, which replaced the Commission's Allowable Growth Factor Recommendation, says: "Before completion of the department's budget estimate . . . the Director in consultation with the Commission, shall determine and include in the estimate the amount which in order to address the increase in the costs of providing services should be appropriated to the fund for the succeeding fiscal year." Prior to the change, the Commission's recommendation came too late to impact the Department's budget submission.

The Commission now has an opportunity to give its input before the DHS budget becomes final. That happened for the first time last year. Jack Willey noted that this would be State funding distributed to the regions. He said he has heard concerns among the counties about keeping regional administrative costs down while hiring CEOs and well as keeping CPCs in the role of service coordinators and access points. Rick said it is important to recognize that this is still the early stage of regional formation and that where the regions start operationally will probably change as they learn more. They will need to evaluate the circumstances and where and how people are needed over time and administrative functions will evolve in a way that works and makes sense both for getting the job done and for managing costs. Jack Willey said his region plans to keep all the county CPCs in service coordination roles and rotate the CEO from county to county on an annual basis.

Patrick Schmitz commented that there has to be an expectation that things will change, just as corporations restructure when they merge, there will need to be changes in going from a county administrative structure to a regional administration structure, which will likely include moving people, shifting job duties, and natural attrition. Rebecca Peterson commented that she would like to focus discussion more on what needs to happened to meet people's needs. Chris Hoffman commented that from the consumers' point it view, it may be preferable to continue working with the same people they are used to, but they know that people retire and change jobs, and even though change may not be easy for them they are resilient and can handle necessary changes.

Rick Shults shared a quick refresher on the Iowa Health and Wellness Plan. The Plan expands the public Medicaid coverage of individuals who were not previously covered up to 100% FPL (Federal Poverty Level). The Medicaid services for those newly-eligible individuals will mirror what current Medicaid enrollees have with some new expectations that focus on wellness. It will include habilitation and other services that provide support for people in community-based settings. The package of benefits does not include things like housing, work activity, and other things that Medicaid does not cover; counties/regions will continue to provide those things.

Individuals with income above 100% of the FPL will be covered by private health insurance and the state will provide funds to pay the premiums. The private insurance will have mental health parity and coverage will have to be found for people who need support in community-based settings. The federal government has indicated that as a state we need to define “medically fragile” and move those people who meet the criteria into the Medicaid system; people with significant mental health conditions will likely be included in the medically fragile group.

Rick said the state has applied for the two federal waivers needed for the plan and have received positive feedback from the head of CMS (Centers for Medicare and Medicaid), who is very interested in helping to make this a successful program. The law allows some level of flexibility and CMS is very open to working with Iowa to create a program that is somewhat different from what they originally envisioned. The applications for the waivers are posted in the IME (Iowa Medicaid Enterprise) website. Public comments will be accepted until August 15 and the applications will be formally submitted on August 20. After that there will also be a 30 day comment period at the federal level. The exchange will open on October 1 and people can start applying for and enrolling in programs at that time. Coverage will begin on January 1, 2014.

Rick said there are broad categories of types of service that this new plan will pick up the financial responsibility for and the question then becomes what level of relief that will provide to the counties, how the savings can be calculated, and what adjustment in funding may be appropriate. By FY 2015 we will be looking at a fiscal impact to the regions because at that point there is to be an offset - a reduction in state payments or return of county levy funds that is equivalent to 80% of the savings. The Department will be working to develop rules in that area and determine how to determine the potential impact to the regions.

Paula Connolly commented that the rules for navigators are scheduled to be released by the Insurance Commissioner's office this Friday. There will be opportunities for people to be trained to assist folks in the enrollment process.

Jack Willy asked Commission members to share their suggestions for the recommendation for an amount to address the increase in the costs of providing services that should be appropriated, such as a percentage, and adjustment for the consumer price index, or some other consistent means. He indicated that suggestions would be discussed later this afternoon or at the next meeting.

DHS-MHDS REPORT

Questions from June Meeting – Rick Shults followed up on some questions the Commission asked at their last meeting:

- Equalization payments - Equalization payments are going out to the counties; regions do not have to be formed before they go out.
- Transition reporting - There is no report on the use of Transition Funds due to the Department; counties are responsible for keeping records and being able to document their compliance with the terms of the funding in the case of an audit.
- TCM Payment Cap – The initial proposal for cost containment has changed and what has been adopted in emergency rules is that TMCs will be paid, but there will be limitations on certain types of services that Rick says he refers to as “direct and indirect administrative costs.” Costs for those areas are limited to 23%. The appropriation required a specific \$2.7 million reduction in Targeted Case Management costs, as well as reductions in other areas. With that known target amount, the Department worked backwards to determine what it would take to meet the target to arrive at the 23% figure. It is also important to move forward with the reductions quickly, or there will have to be larger reductions if they are taken over a shorter period of time. Rick said this is just the starting point, not a long term solution. A group will be getting together this fall to come up with a plan moving forward.
- Health and Wellness Plan – Rick indicated he will have answers to some of the more technical questions about the new health plan by the next meeting.

Core Services Rules – The Core Services rules have now been reviewed by LSA (Legislative Services Agency) and will be noticed in the Iowa Administrative Bulletin on July 24. Public comment will be open until August 13.

Regional Formation – County supervisors, CPCs, and other staff are working hard on the formation process. Van Buren County has now joined a region. Ida County has been assigned to a region in consultation with the regional members. Carroll County’s application for exemption was not approved; they will be joining the same region that includes Buena Vista, Ida, Sac, Calhoun, and Crawford Counties. Jefferson County’s application for exemption was also denied; they have expressed frustration with the Director’s decision and may decide to appeal.

Equalization Payments – Fifty-four counties were eligible for equalization payments. The Department has processed payments for twelve counties that have their state Medicaid bills paid. Work is being done to resolve issues related to the state Medicaid bills that are still outstanding. Letters have gone out to thirty-two counties that have some state bills due. There is a process in rules that allows the State to offset funds, but counties must first be given notice and the opportunity to respond. There is also an

expectation that counties can enter into a payment plan. The letters pulled those two pieces together and asked counties to provide some basic information about their financial situation in preparation for discussing a payment plan or offset. The County Social Services group has requested that their 10 counties all get their equalization payments at once, so the Department is working that out with them. All of the State bills to counties have been sent out but some are not yet due to be paid.

Governor's Actions – The Governor line-item vetoed the \$13 million for risk pool funding on the day of last month's Commission meeting. He also vetoed \$8.7 million that had been identified for HCBS Waiver waiting lists. In his veto message he indicated that the new Iowa Health and Wellness Plan would reduce demand on county mental health funds and noted that counties were already receiving significant new amounts of funding. He also indicated that he preferred to seek a long term solution rather than special funding. The provision that would have moved judicial mental health advocates under the Department of Inspections and Appeals was also vetoed by the Governor; he indicated the action was consistent with his goal to not add to the size of State government.

Linda Hinton commented that in her conversations with legislators, they indicated that the Risk Pool dollars were intended for two specific purposes:

1. To enable counties with fiscal issues to pay their State bills without cutting service by prioritizing counties that needed additional funding – the 44 counties that were levying above the new \$47.28 per capita rate and 9 counties that were identified with fiscal problems.
2. There are also counties that will be significantly impacted by the move from legal settlement to residency. The Risk Pool funds were intended to be a one-time measure to get counties through the next fiscal year, allowing them to apply for fund once they see what the demand for services is in their county. It was not intended to be ongoing funding.

Jack Willey said he understood that the Risk Pool funds would address existing fiscal issues so that counties would not have to come into the new regional system with deficits. Rick Shults said there has been a lot of conversation about how to get the money to where it is needed so that services can be adequately funded; in order to have the best service system possible, funds have to be allocated in the right places.

Wayne Clinton commented that Representative Lisa Heddens wrote a letter breaking down the impact of the vetoes and other people have also been expressing their concern. He said he hopes the legislature will address the shortfall in January.

Bob Bacon said he thought Representative Dave Heaton made it clear at the offset that the provision was a necessary compromise for health and wellness bill to pass. He suggested that the Commission consider if, in the context of its cost increase recommendation, it might question the amount of the 80% offset. He said that it seems that the offset results in county dollars going to pay for Medicaid expansion, which is not

consistent with the State's commitment to take over Medicaid match, and that might be another way to reframe the issue.

Linda Hinton commented that she supports a recommendation to the legislature to eliminate the entire concept of the offset. The entire redesign was built on having resources from the Affordable Care Act that were going to assist in moving the system forward. She said it is her understanding that the 80% dollars go back into the county/regional system, but they replace the \$29 State dollars. One of the concepts in redesign is to develop sub-acute services and building those will go by the wayside if there are not additional dollars in the system, and if the 80% comes out, the additional dollars anticipated won't be available. Linda said the system needs to benefit from the savings in Medicaid to provide what was envisioned by the redesign. Making use of the opportunity provided by the ACA was where this discussion started.

Jim Rixner commented that he believes the whole redesign of the mental health system is threatened by inadequate funding. Rick Shults said there is actually an increase in funds available to the system, but is it very difficult to get the money in the right amounts to where it is most needed. Rick said it is important to look at both how the overall funding of the system works and how to determine the increased cost of doing business.

A break for lunch was taken at 12:05 p.m.

The meeting reconvened at 1:05 p.m.

Regional CEO Discussion – Jack Willey handed out copies of the recommendations made by the Transition Workgroup for the job description and qualifications of a regional director. There was discussion about suggesting its use as a starting point for regions in developing their own job descriptions. It was noted that the Transition Workgroup also recommended against rotating the regional director (CEO), which has been considered by some regions who are concerned about not increasing their administrative costs. Jack said he has concerns about continuity and best utilizing capabilities by rotating CEO duties, particularly if financial responsibilities move with the position. Zvia McCormick questioned whether it is the role of the Commission to get into such a level of specificity regarding regional staff.

Motion – David Hudson made a motion that the Commission sends a letter offering the recommendations of the Transition Workgroup as guidance to regions in establishing the qualifications of their CEOs. Sharon Lambert seconded the motion. Deb Schildroth offered a friendly amendment that the letters go to the ISAC Community Services Affiliate Board and the Supervisors Affiliates Executive Committee. Vote – The motion passed unanimously. Chris Hoffman was present by phone for the vote.

DHS-MHDS REPORT (continued)

State Payment Plan – Rick Shults said that approximately \$11.7 million from what was formerly the State Payment Program (SPP) has just been paid out to counties in a lump sum. The payments were based on the amounts counties were paid in the most recent 12 month period. If counties believe they are serving someone who is still a State case they will need to contact Suzanne Fross at MHDS, as they did under the State Payment Program.

Judicial Workgroup Bill – As discussed earlier the part of the commitment bill that would have changed the mental health advocate programs was vetoed, but the change in the mental health commitment process was passed and signed. The bill sunsets Chapter 222 commitments for people with intellectual disabilities and merges mental health commitments under Chapter 229 and substance abuse commitments under Chapter 125. It also includes authorization for an option for pre-commitment screening. The use of screening has been found to be quite successful in keeping people in the community, but there was some question about whether it was permissible under the previous law and this year's bill clarified that it is allowed. Use of a pre-commitment screening involves a mental health professional making recommendations to the court and people and families being provided with help to identify their options and better understand and navigate the system.

Also associated with the same bill are instructions to the Department to conduct a study on how to create a data base to track inpatient psychiatric beds on a statewide basis. Rick said he thinks the most challenging part of that work is that only hospitals can make the system useful and for that to happen it will have to be really user friendly and fit well within their business models so they can easily participate and keep the information accurate.

Betty King asked if there that provides peer support to the person who is being evaluated during the prescreening process. Rick responded that there is room for that to happen and there are actually models of crisis intervention that rely heavily on peer support and have been very successful. Commission members expressed interest in learning more about peer support at a future meeting.

Fiscal Viability Study Committee – Jess Benson shared that the legislative interim committee was approved this morning and will have two meetings.

Questions – Theresa Bomhoff asked if Rick had obtained information on whether people in community corrections would be included in the Health and Wellness Plan. Rick responded that he has not yet gotten the exact criteria from IME, but that if the person is not considered a “prisoner” they should qualify.

Theresa Bomhoff asked if the Department could post a chart on the DHS website showing the key pieces that each region has to accomplish and the dates they are accomplished. Rick responded that the Department does not monitor all the steps

regions are taking to organize and become operational, but they will look at what information they have to share that would help inform people. He said he does think it would be helpful for people to have access to a resource manual to see where in the State specific resources are available.

Jack Willy asked if there is still money available for technical assistance to the regions. Rick responded that there is and that counties/regions who would like to request TA are welcome to send a letter with that request to Theresa Armstrong. He noted it is not important to be specific about what is needed, that can be discussed after the request is made.

Workgroups – The Children's Services Workgroup will reconvene because the Children's Cabinet was not convened and has a report due by November 15. There will be a whole new series of workgroups related to the Iowa Health and Wellness Plan. Patrick Schmitz noted that the State Innovation Model (SIM) stakeholder process, which is part of the ACA and the development of the Affordable Care Organizations Act (ACOs) in Iowa, will start next week. The stakeholder groups include: a Steering Committee, and workgroups on Metrics and Contacting, Long Term Care, Mental Health and Substance Abuse, and Member Health Engagement. Iowa will be receiving money from CMS for this initiative. The SIM initiative was created for states that are committed to planning, designing, testing, and supporting evaluation of new payment and service delivery models within the larger health system transformation. A stakeholder engagement process, including an advisory committee and several workgroups, will be used in developing the design for Iowa's SIM strategies. There is information, including the membership of each workgroup, available on the IME website.

Rick Shults said that one of the major challenges during the legislative session finding an alternative for people who need nursing home level of care and are on the sex offender registry. That led to a broader discussion of what can be done for people who are difficult to serve, which is a more diverse group and will require different solutions.

David Hudson suggested the Commission consider sending a letter to the Governor during the legislative session next spring to convey its support for specific appropriations they deem important to the MHDS system before he makes veto decisions, or consider asking to meet with him to express the Commission's viewpoint about this year's line item vetoes. Rick suggested meeting with Director Palmer first and framing the issue in a different way that might help bridge the differences. He noted that the Senate didn't think the money was going where it was needed so they tried to reconsider what they thought was going to work last year to get the money to the places where problems were showing up and that concept didn't gain any traction. The Governor ended up in a position where he thought he had signed a bill for mental health and disability redesign that would require \$28 million in the coming year and then after the legislative session was over, found he was faced with \$43 million. Rick said if you put all the pieces together you can see that the observations about why additional money was needed are legitimate, but he would urge more thought about how we got to this place, and what a middle position might be.

RECOMMENDATION FOR INCREASE IN COSTS (continued)

Last year, the Commission recommended a cost increase of 4% for FY 2014 and 6% for 2015. Jack Willey and Susan Koch-Seechase will discuss how to put together a proposal for this year's recommendation and will plan to finalize something before the August meeting. Jack asked other Commission members to provide any input they have to him or to Susan or Connie Fanselow.

VETERAN'S PRESENTATION

Brett McLain was unable to attend the meeting today and the Veteran's mental health presentation will be rescheduled for the August meeting.

NEXT MEETING

The next meeting will be on August 15, 2013 at the Pleasant Hill Public Library. In addition to the Veteran's mental health presentation, the Commission will plan to discuss and act on the cost increase recommendation, and review additional information about the expansion of Medicaid coverage.

PUBLIC COMMENT

No additional public comment was offered.

Richard Crouch asked if there is any guidance available on 28E agreements. Julie Jetter responded that MHDS is working with ISAC on developing guidance. They will be meeting next week to finalize it and plan to get it out to counties in the next few weeks. Deb Schildroth offered to share the shell of the agreement her region is working on if others are interested.

The meeting was adjourned at 2:15 p.m.

Minutes respectfully submitted by Connie B. Fanselow.